

## COMMONWEALTH TRANSPORTATION FUND REVENUE REPORT September 2015

### Summary

Commonwealth Transportation Fund (CTF) revenues increased by 11.4 percent in September, mainly due to strong motor fuels taxes and motor vehicle sales tax collections. Year-to-date growth stands at 7.7 percent.

### Motor Fuels Tax

Motor fuels tax collections increased by 41.7 percent this month. Year-to-date collections are up 40.4 percent.

U.S. regular gasoline monthly retail prices averaged \$2.37/gallon (gal) in September, a decrease of 27 cents/gal from August and \$1.04/gal lower than in September 2014. Monthly gasoline prices are expected to decline to an average of \$2.03/gal in December 2015. U.S. regular gasoline retail prices are estimated to average \$2.38/gal in 2016.

### Motor Vehicle Sales and Use Tax

Motor vehicle sales tax collections increased by 9.5 percent in September, and are up 8.9 percent for the year.

Vehicle sales soared to more than 18 million units in September, the best pace since 2005 when employee discounts boosted the total. While incentives have contributed to the strong pace in recent months as well, the fabulous pace of sales reflects a confluence of factors. The late Labor Day pushed many sales into September that normally would be in August.

Notably, low oil prices and the knowledge that the current period is not a fluke but will persist has spurred a bonanza of light truck purchases. Just about all of the strength of vehicle sales over the past year has been in the light truck segment while car sales have trended flat. The low gas prices have likely unleashed pent-up demand for larger vehicles. However, low gas prices are not the only factor driving light vehicle sales. Improving construction activity also correlated closely with light truck sales.

So far this year, sales are averaging 17.2 million units. This is the expectation for sales for the year but given the recent strength, the full-year total could well exceed this pace. The pace is expected to ease but remain above 17 million in 2016.

### State Retail Sales Tax

The transportation portion of the state retail sales tax increased by 3.1 percent in September.

### Motor Vehicle Licenses

Motor vehicle registration fee collections increased by 3.3 percent in September.

**Commonwealth of Virginia/Department of Accounts**  
**Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues**  
**Summary Statement of Selected Revenue Estimates & Collections**  
**For the Fiscal Years 2015 and 2016**  
**(Dollars in Thousands)**

Revenue	FY 2016 Estimate	As a % of Total Fund	September			Year-To-Date			% Annual Growth Required By Estimate
			FY 2016	FY 2015	% Change	FY 2016	FY 2015	% Change	
Motor Fuel Taxes	\$850,200	18.90	\$76,266	\$53,826	41.7	\$160,763	\$114,470	40.4	17.7
Priority Transportation Fund (PTF)	150,346	3.34	114,022	106,536	7.0	121,392	113,136	7.3	0.0
Motor Vehicle Sales and Use Tax	875,600	19.47	86,890	79,353	9.5	255,089	234,267	8.9	(1.7)
State Sales and Use Tax	1,007,300	22.39	81,875	79,382	3.1	199,362	219,502	(9.2)	1.3
Motor Vehicle License Fees	244,600	5.44	21,902	21,209	3.3	66,755	63,461	5.2	(0.2)
International Registration Plan	60,400	1.34	4,204	4,930	(14.7)	14,069	13,968	0.7	(8.5)
Recordation Tax	37,900	0.84	3,534	3,292	7.4	11,529	10,589	8.9	(9.8)
Interest Earnings	14,800	0.33	24	4	500.0	44	11	300.0	96.5
Misc. Taxes, Fees, and Revenues	15,700	0.35	1,265	1,507	(16.1)	4,306	4,549	(5.3)	(14.3)
<b>Total State Taxes and Fees</b>	<b>\$3,256,846</b>	<b>72.40</b>	<b>\$389,982</b>	<b>\$350,039</b>	<b>11.4</b>	<b>\$833,309</b>	<b>\$773,953</b>	<b>7.7</b>	<b>3.8</b>

# Percentage is greater than or equal to 1,000%.

Commonwealth of Virginia/Department of Accounts  
Highway Maintenance and Operating Fund and Transportation Trust Fund Revenues  
Statement of Revenue Estimates & Collections  
For the Fiscal Years 2015 and 2016  
(Dollars in Thousands)

Revenue	FY 2016 Estimate	As a % of Total Fund	September			Year-To-Date			% Annual Growth Required By Est
			FY 2016	FY 2015	% Change	FY 2016	FY 2015	% Change	
<b>HIGHWAY MAINTENANCE AND OPERATING FUND:</b>									
Motor Fuel Taxes (Includes Road Tax)	\$679,100	15.10	\$58,596	\$41,240	42.1	\$127,468	\$89,741	42.0	18.2
Motor Vehicle Sales and Use Tax	628,300	13.97	61,610	55,161	11.7	182,086	165,982	9.7	(1.6)
State Sales and Use Tax	281,700	6.26	22,469	21,884	2.7	55,561	63,478	(12.5)	1.4
Motor Vehicle License Fees	222,700	4.95	19,938	19,274	3.4	60,897	57,707	5.5	(0.3)
International Registration Plan	60,400	1.34	4,204	4,930	(14.7)	14,069	13,968	0.7	(8.5)
Recordation Tax (1 cent)	12,700	0.28	1,178	1,097	7.4	3,843	3,530	8.9	(9.3)
Misc. Taxes, Fees, and Revenues	15,700	0.35	1,265	1,507	(16.1)	4,306	4,549	(5.3)	(14.3)
<b>Total State Taxes and Fees</b>	<b>\$1,900,600</b>	<b>42.25</b>	<b>\$169,260</b>	<b>\$145,093</b>	<b>16.7</b>	<b>\$448,230</b>	<b>\$398,955</b>	<b>12.4</b>	<b>4.8</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$0	0.00	\$2,706	\$2,999	(9.8)	\$9,465	\$7,538	25.6	(100.0)
Miscellaneous Revenues	14,595	0.32	1,148	1,292	(11.1)	6,511	4,827	34.9	(50.0)
Transfer (to) / from Transportation Trust Fund	122,489	2.72	0	0	-	0	0	-	(25.6)
<b>Total Highway Maintenance and Operating Fund</b>	<b>\$2,037,684</b>	<b>45.29</b>	<b>\$173,114</b>	<b>\$149,384</b>	<b>15.9</b>	<b>\$464,206</b>	<b>\$411,320</b>	<b>12.9</b>	<b>0.0</b>
<b>TRANSPORTATION TRUST FUND:</b>									
Motor Fuel Taxes (Includes Aviation & Road Taxes)	\$171,100	3.80	\$17,670	\$12,586	40.4	\$33,295	\$24,729	34.6	15.6
PTF Insurance Premiums Tax	150,346	3.34	114,022	106,536	7.0	121,392	113,136	7.3	0.0
Motor Vehicle Sales and Use Tax (Includes Rental Tax)	247,300	5.50	25,280	24,192	4.5	73,003	68,285	6.9	(1.8)
State Sales and Use Tax	725,600	16.13	59,406	57,498	3.3	143,801	156,024	(7.8)	1.2
Motor Vehicle License Fees	21,900	0.49	1,964	1,935	1.5	5,858	5,754	1.8	0.5
Recordation Tax (2 cents)	25,200	0.56	2,356	2,195	7.3	7,686	7,059	8.9	(10.0)
Interest Earnings	14,800	0.33	24	4	500.0	44	11	300.0	96.5
<b>Total State Taxes and Fees</b>	<b>\$1,356,246</b>	<b>30.15</b>	<b>\$220,722</b>	<b>\$204,946</b>	<b>7.7</b>	<b>\$385,079</b>	<b>\$374,998</b>	<b>2.7</b>	<b>2.4</b>
<b>Other Revenues:</b>									
Federal Grants and Contracts	\$968,328	21.52	\$153,396	\$177,244	(13.5)	\$614,677	\$612,443	0.4	(23.9)
Receipts from Cities/Counties	237,187	5.27	12,674	45,064	(71.9)	21,339	61,459	(65.3)	79.4
Toll Revenues (Includes Route 28)	16,045	0.36	923	894	3.2	2,759	2,687	2.7	(12.1)
Miscellaneous Revenues	5,832	0.13	3,209	1,510	112.5	6,416	5,165	24.2	(79.4)
<b>Total Other Revenues</b>	<b>\$1,227,392</b>	<b>27.28</b>	<b>\$170,202</b>	<b>\$224,712</b>	<b>(24.3)</b>	<b>\$645,191</b>	<b>\$681,754</b>	<b>(5.4)</b>	<b>(15.4)</b>
Transfer (to) / from Highway Maintenance and Operating Fund	(\$122,489)	(2.72)	\$0	\$0	-	\$0	\$0	-	25.6
<b>Total Transportation Trust Fund</b>	<b>\$2,461,149</b>	<b>54.71</b>	<b>\$390,924</b>	<b>\$429,658</b>	<b>(9.0)</b>	<b>\$1,030,270</b>	<b>\$1,056,752</b>	<b>(2.5)</b>	<b>(5.7)</b>
<b>TOTAL HIGHWAY MAINTENANCE AND OPERATING AND TRANSPORTATION TRUST FUND</b>									
	<b>\$4,498,833</b>	<b>100.00</b>	<b>\$564,038</b>	<b>\$579,042</b>	<b>(2.6)</b>	<b>\$1,494,476</b>	<b>\$1,468,072</b>	<b>1.8</b>	<b>(3.2)</b>

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